



AGRICULTURAL BULLETIN

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THE FARM BOOM AND THE MARSHALL PLAN

THE average dollar value per acre of farms in each State from 1910 through July 1947 is shown on the following charts. Tax figures, gathered by the Bureau of Agricultural Economics, are plotted on the charts in red. The taxes and farm values shown include both land and buildings. Including buildings in the values of farm lands increases the value per acre in States with small farms more than in States where the farms are large, since \$3000 worth of buildings on a 100-acre farm will increase the value per acre by \$30 while the same improvements on a 1000-acre farm will increase the value only \$3 per acre.

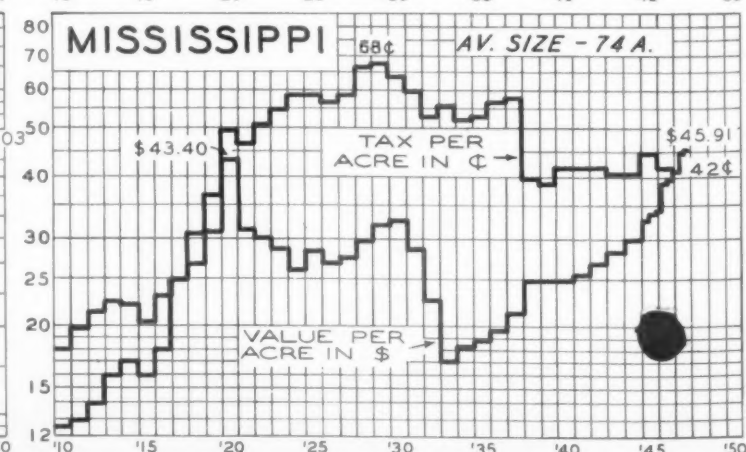
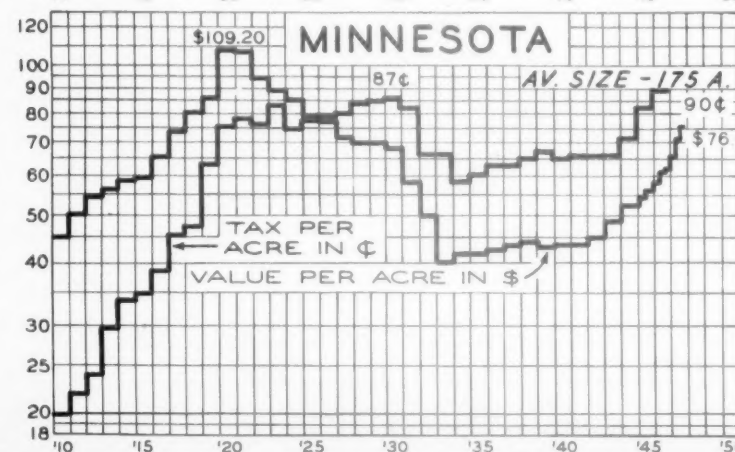
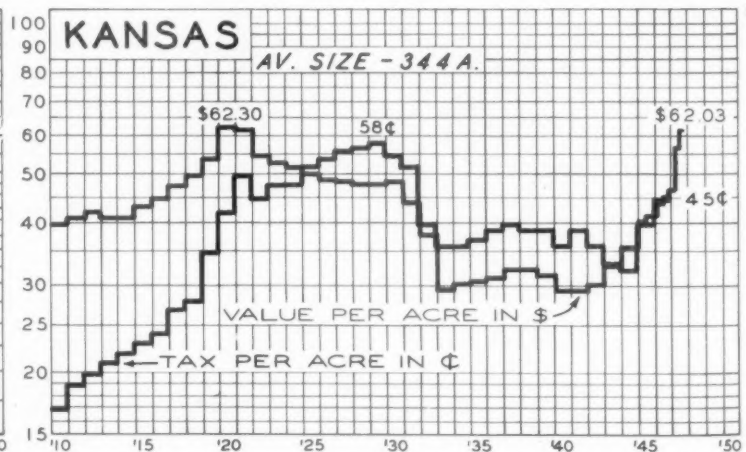
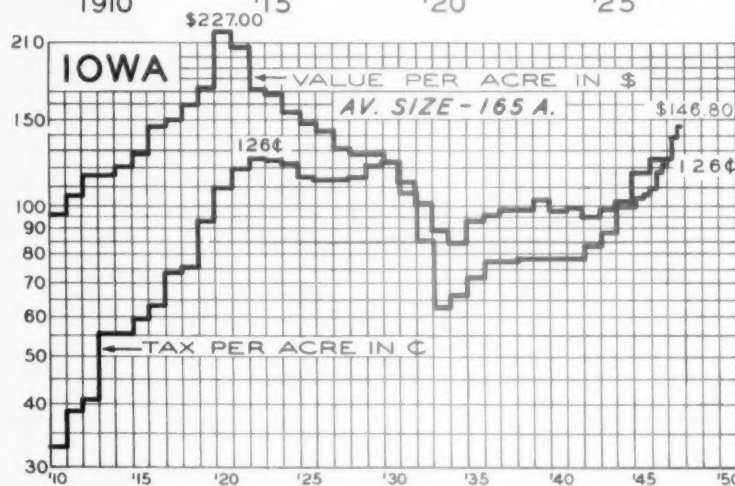
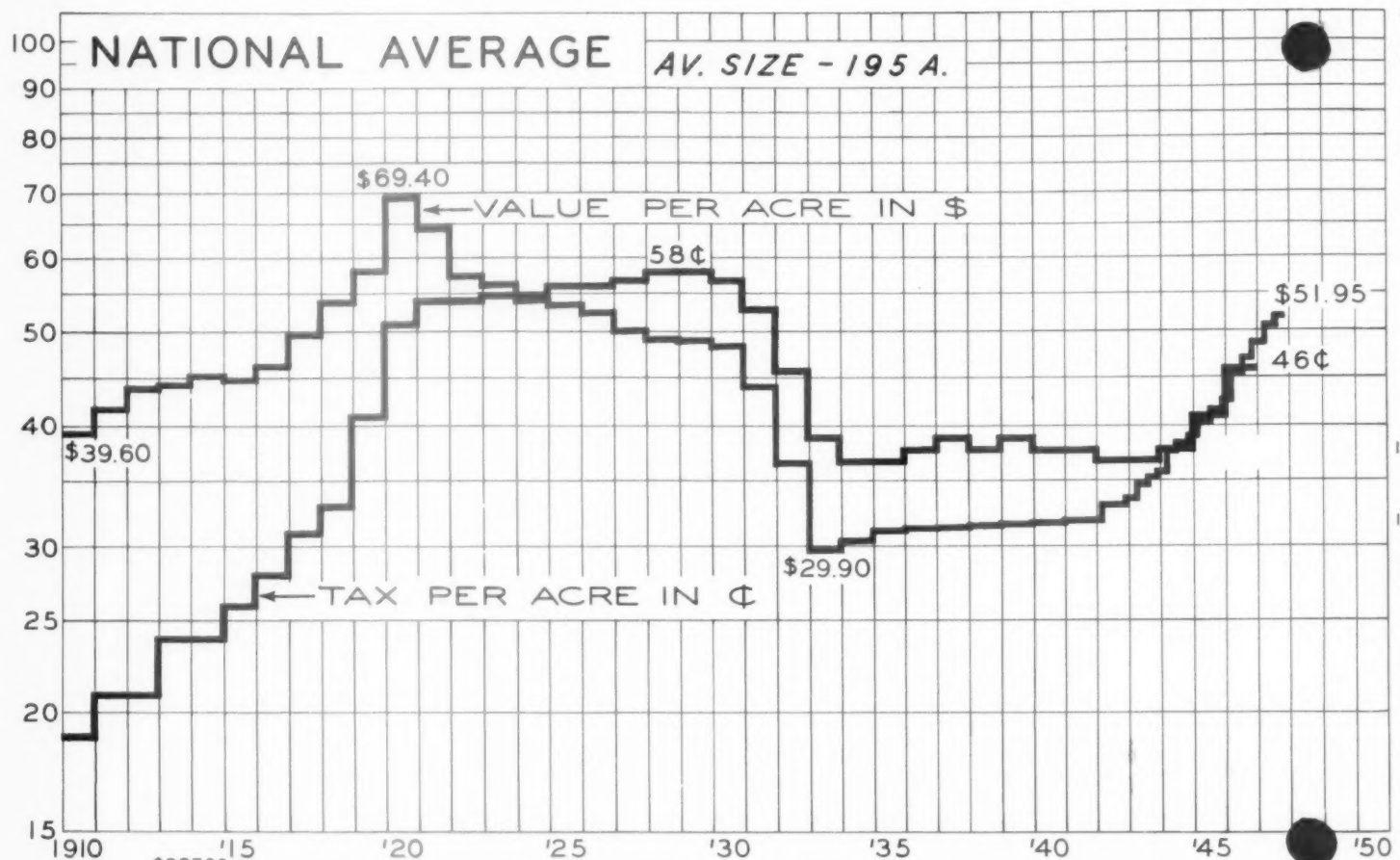
The most recent data indicate that during the past year the boom in farm values may be leveling off somewhat. From July 1945 to July 1946 the national average per acre for farm values increased 13 per cent; from July 1946 to July 1947 the increase was 10 per cent.

While farm values in most States continued to rise, there were eleven States which showed declines in the average value per acre during the period from March 1947 to July 1947. They were: New York and Georgia, 5 per cent; Tennessee and West Virginia, 4 per cent; Alabama, Missouri and South Carolina, 3 per cent; Maryland and North Carolina, 2 per cent; and Kentucky, 1 per cent. These were the first declines recorded in the farm values in these States since 1939 or before. Notice that none of the above States, with the exception of Missouri, are large grain or meat producers.

Inasmuch as farm land values fluctuate in close harmony with the value of farm products, we do not look for any appreciable decline in farm land values for some time. The declines recorded in the 11 States probably indicate a leveling off period in those States.

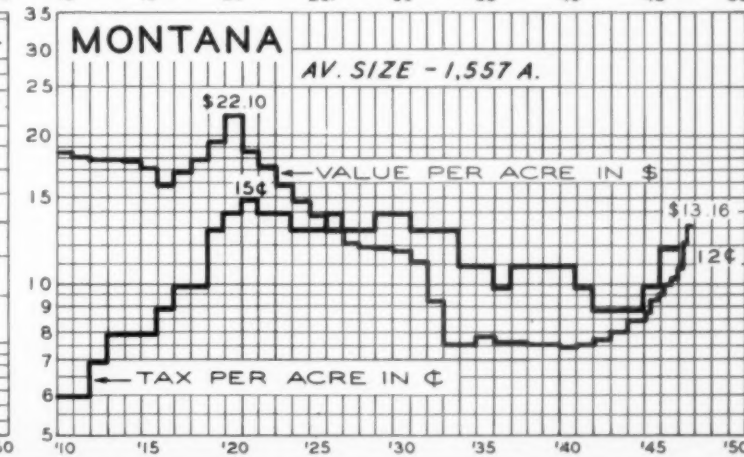
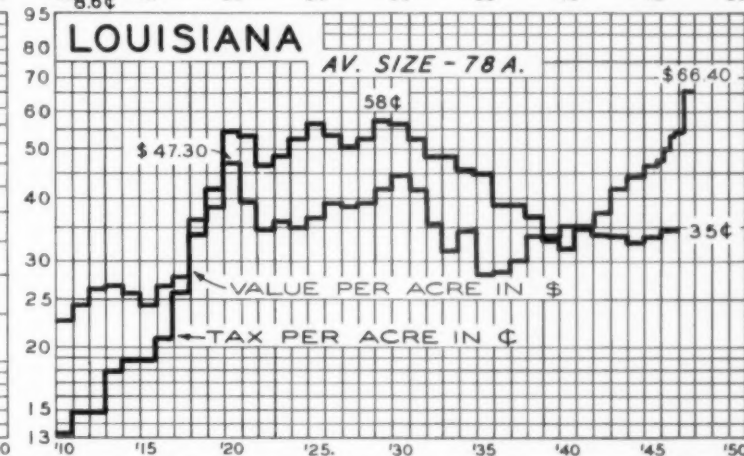
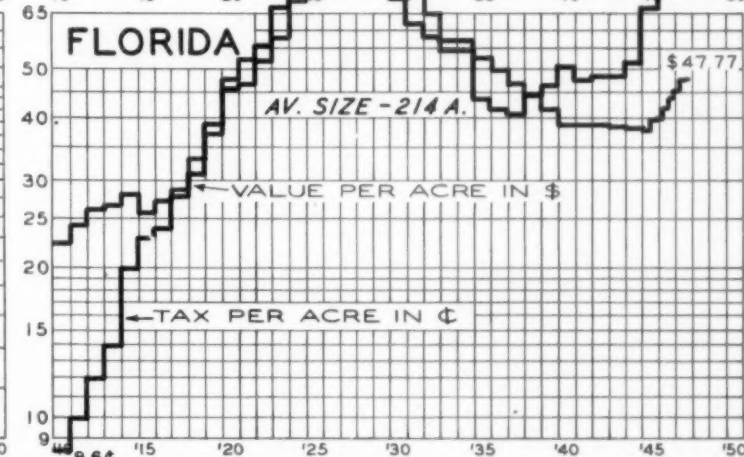
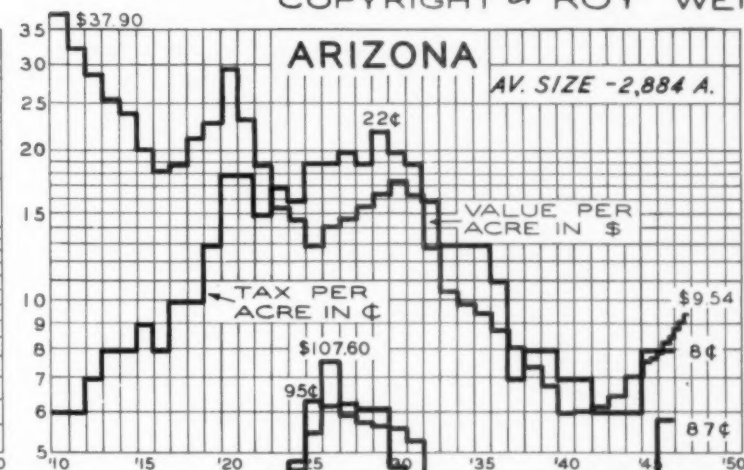
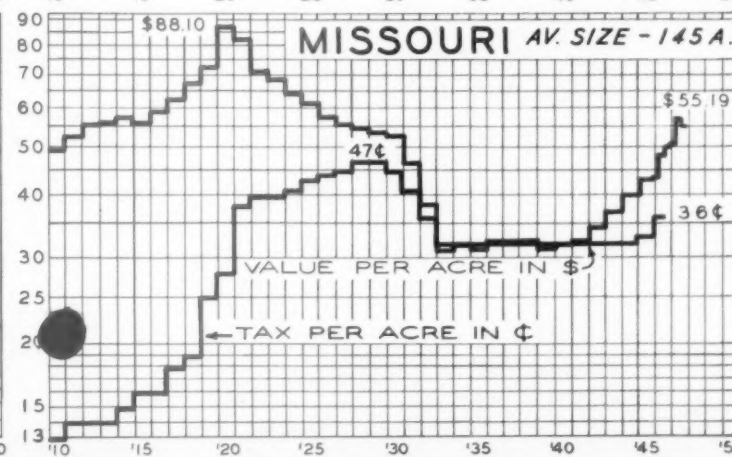
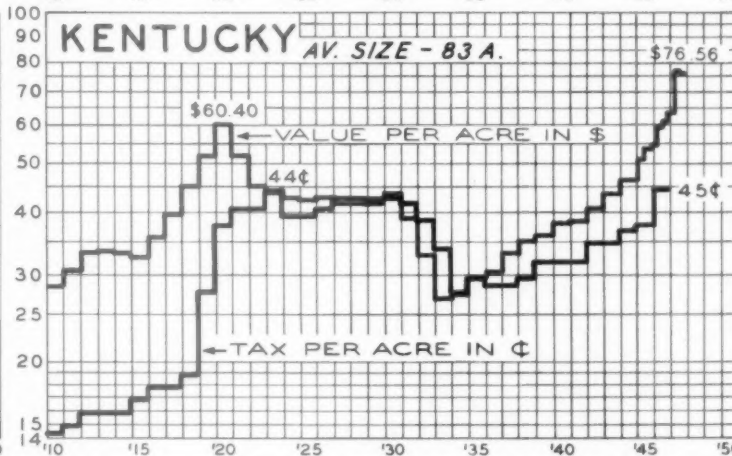
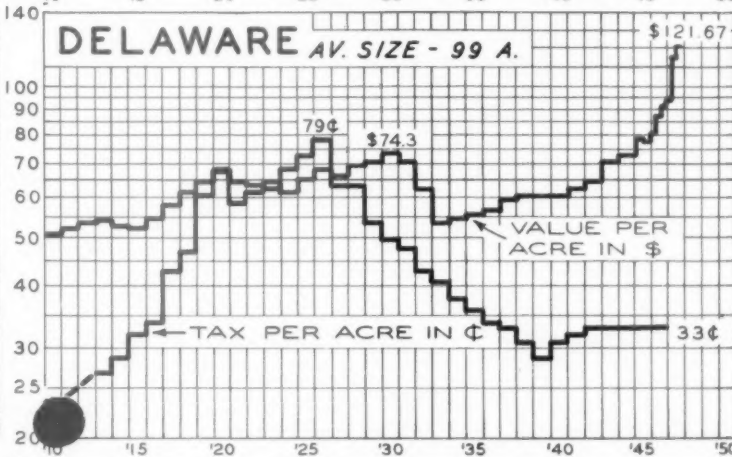
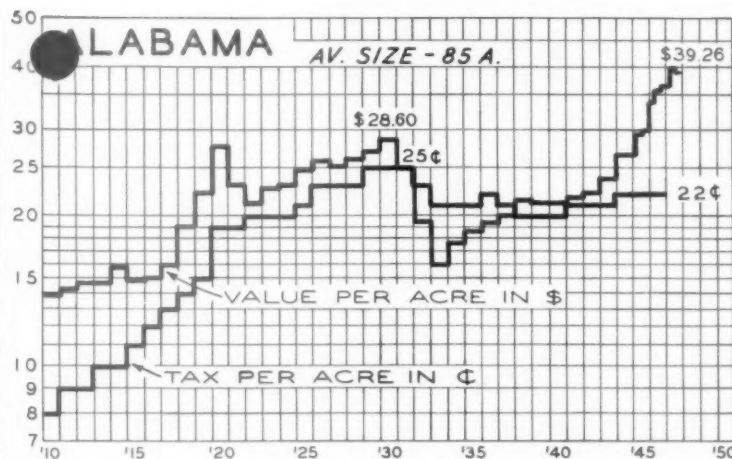
No one knows at the present time the eventual size of the Marshall Plan, and so it is difficult to estimate its effect on the farm land situation. It is quite probable, however, that Congress will cut down appropriations for this purpose much below those expected and desired by Europe. If this is the case, the Marshall Plan will act as a prop under land values rather than a stimulant to further increases.

As could be expected, farm taxes have continued to rise. The national average of 46¢ an acre for 1946 shows an increase of 12 per cent over 1945, and 24 per cent over the 1944 average. Only 4 States recorded a tax decrease in 1946 from 1945. These were: North Dakota, 21 per cent; Mississippi, 7 per cent; South Carolina, 4 per cent; Arkansas, 3 per cent. The Pacific States with an average tax increase of 58 per cent from 1944 to 1946 led all other regions. The Mountain States were second with a 27 per cent increase; the South Atlantic and East North Central regions showed increases of 26 and 25 per cent, respectively. 1947 farm taxes will show additional increases.



FARM VALUES AND

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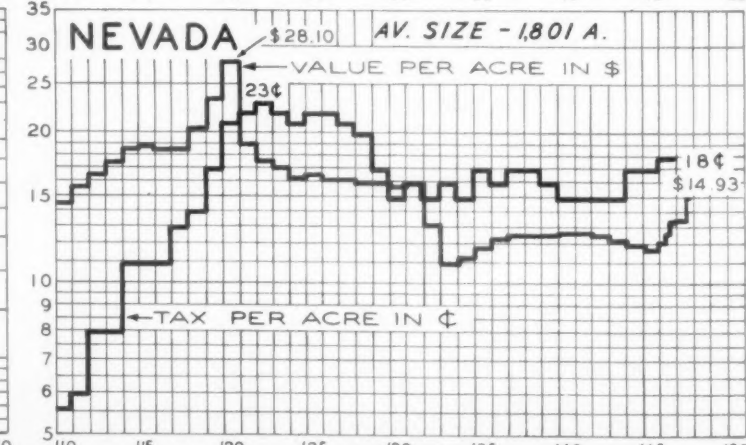
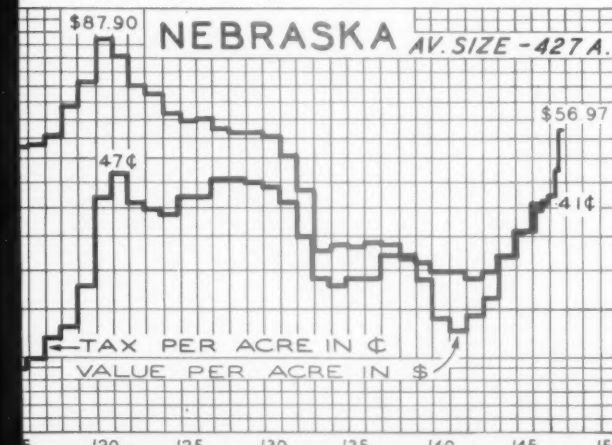
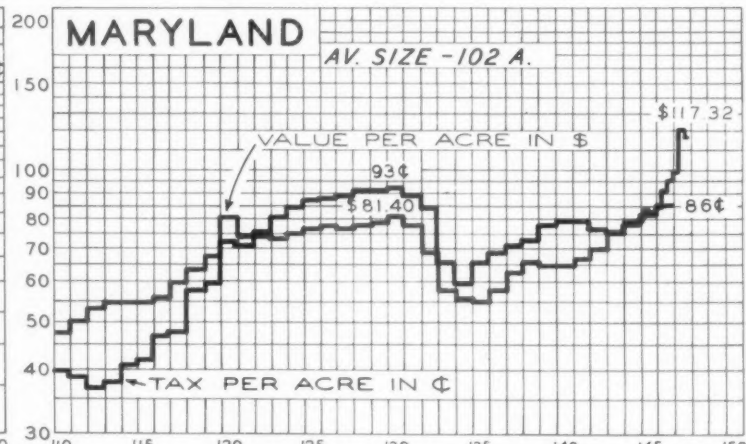
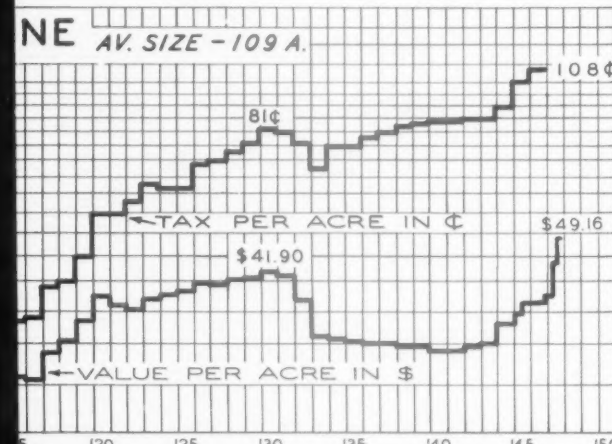
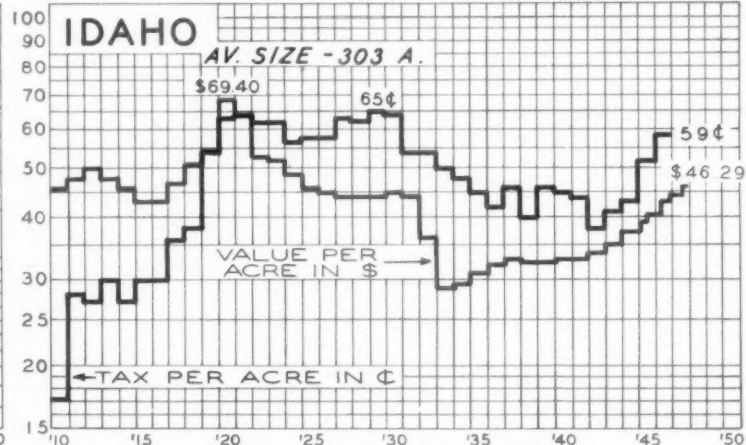
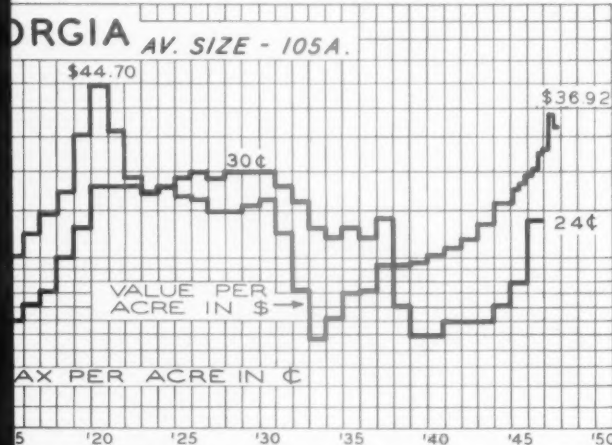
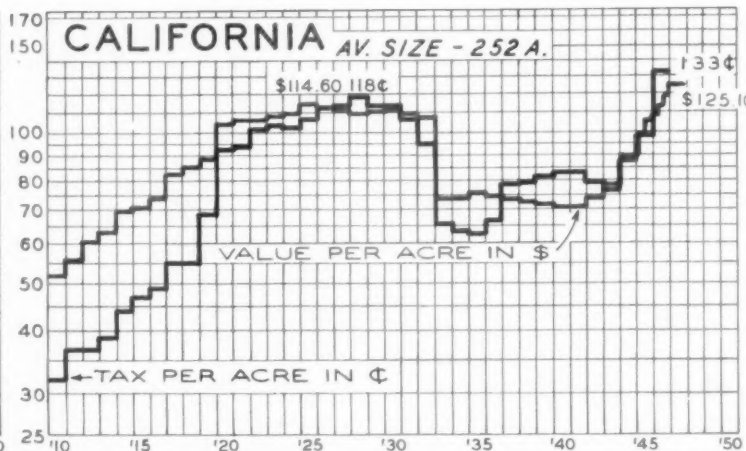
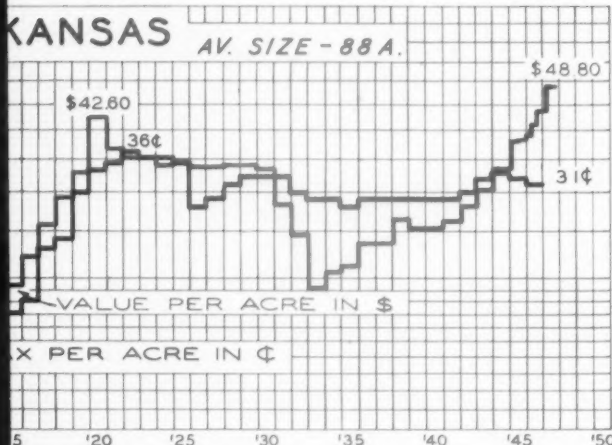
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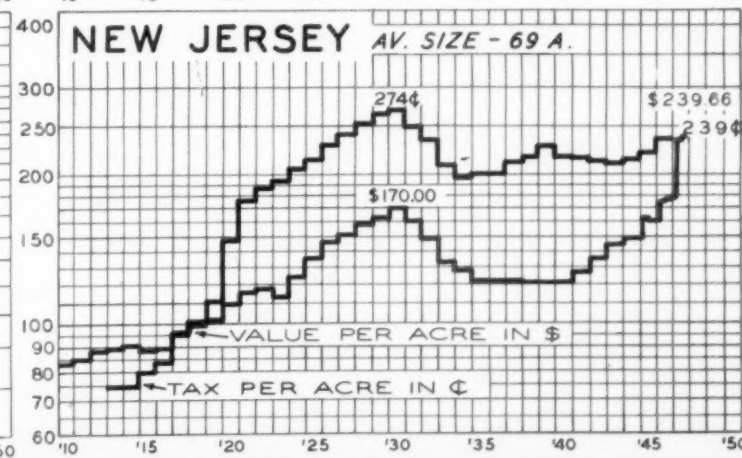
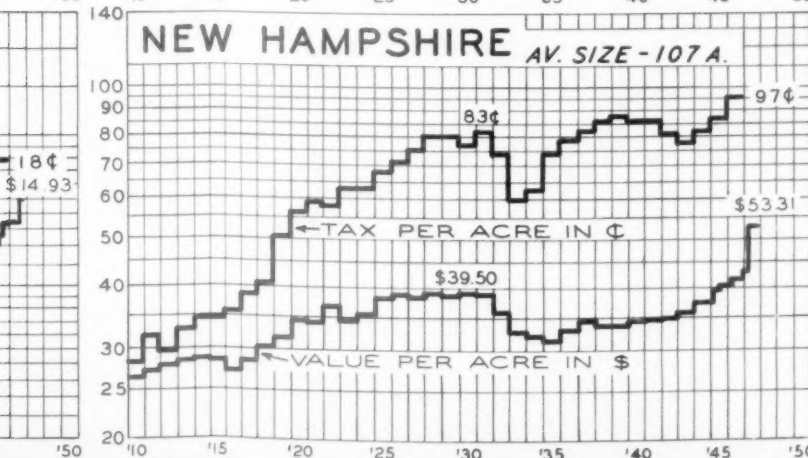
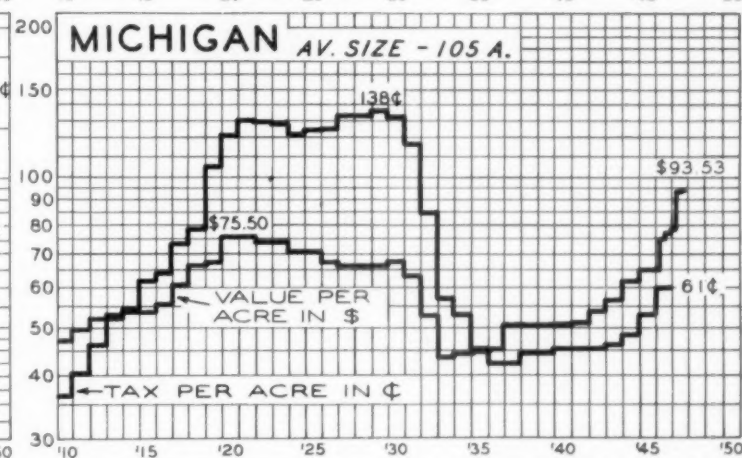
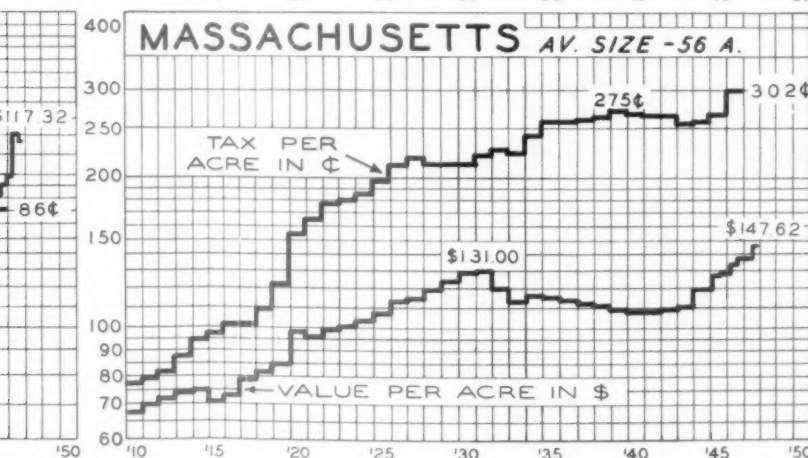
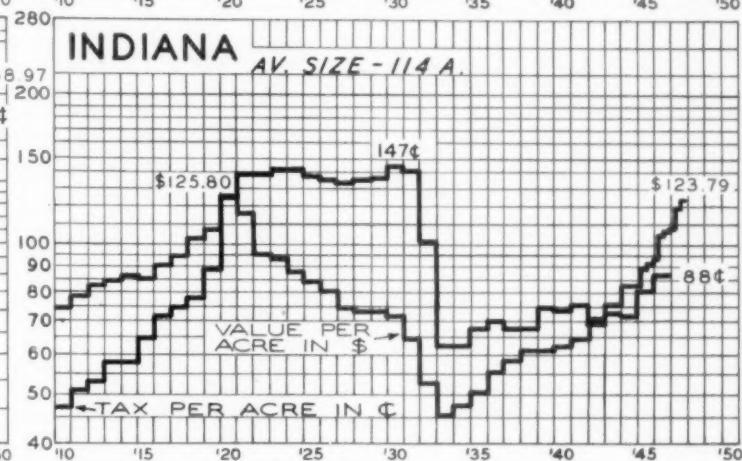
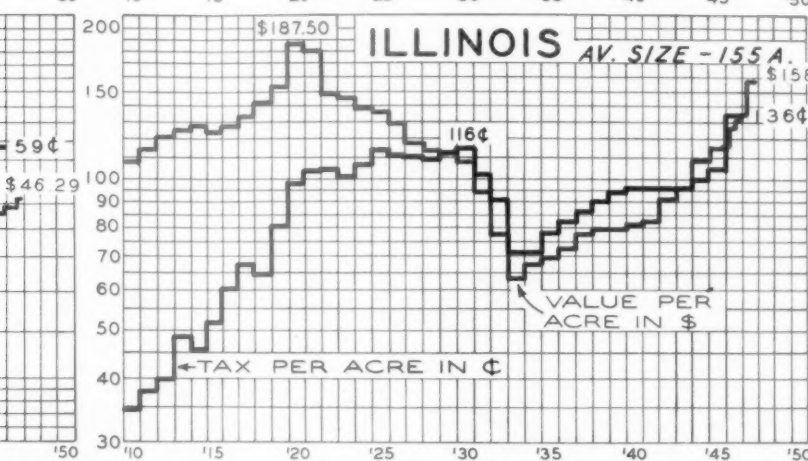
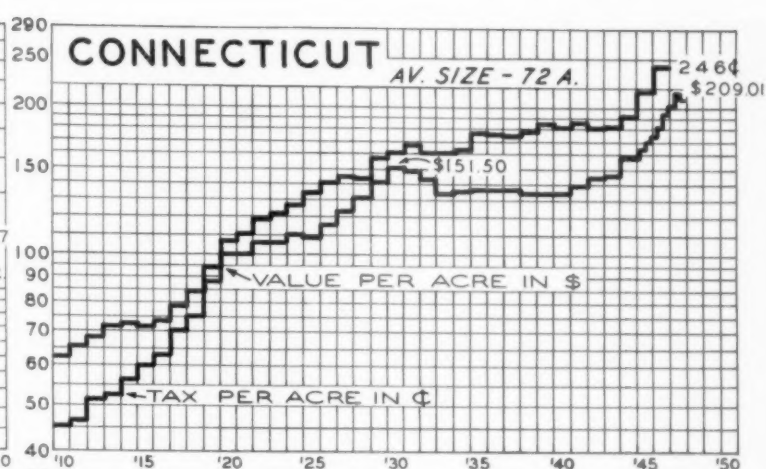
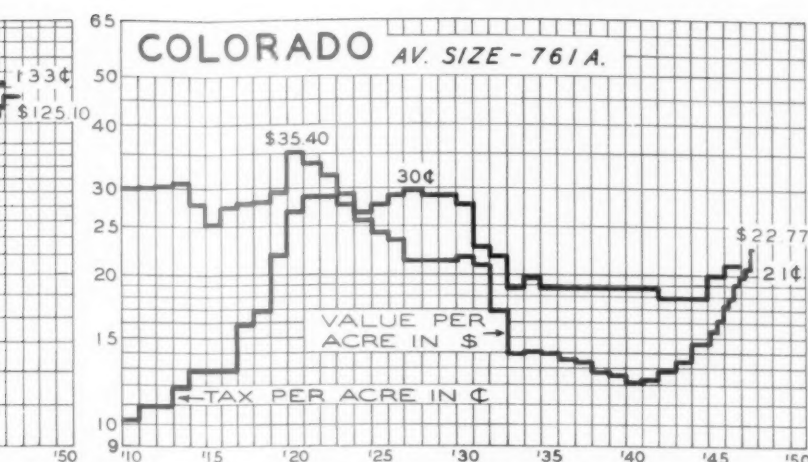
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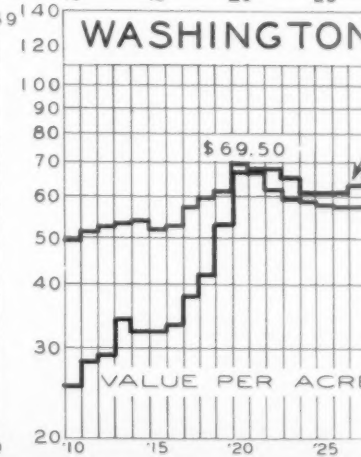
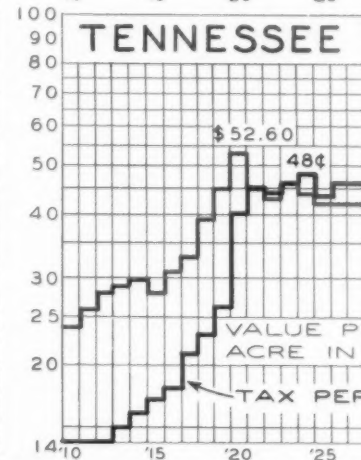
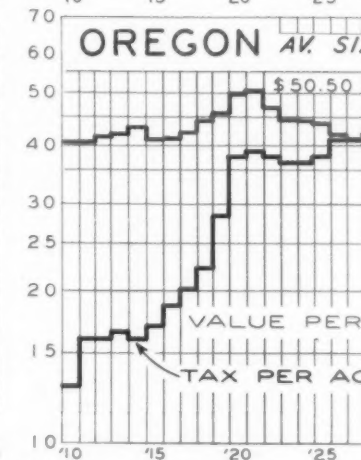
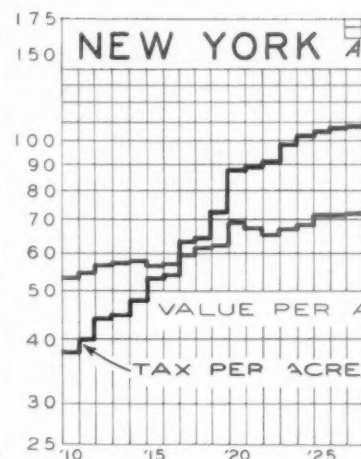
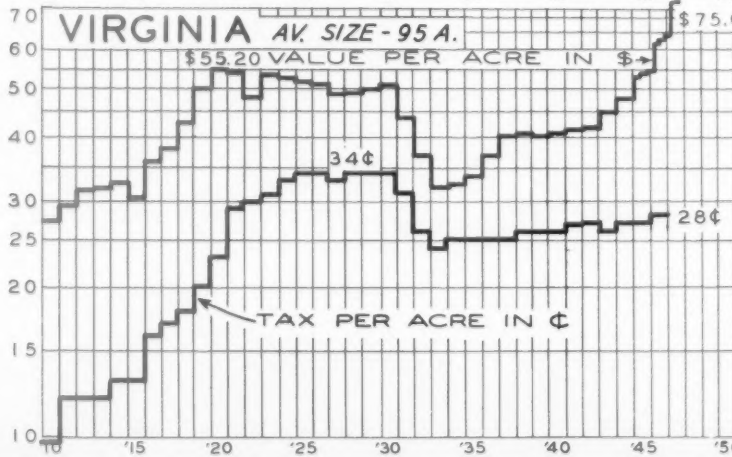
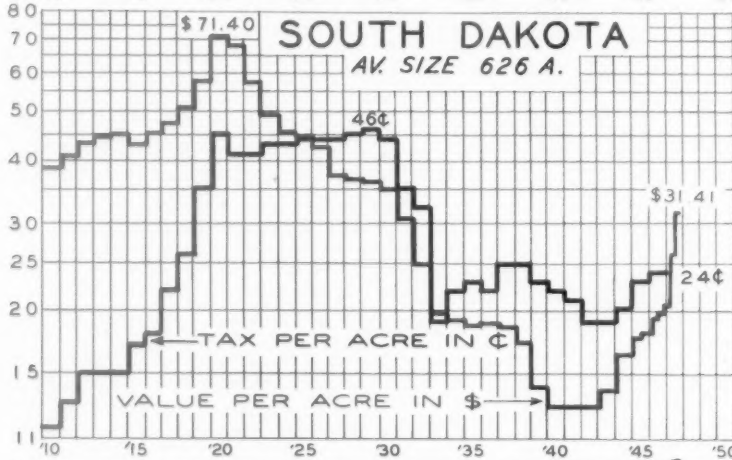
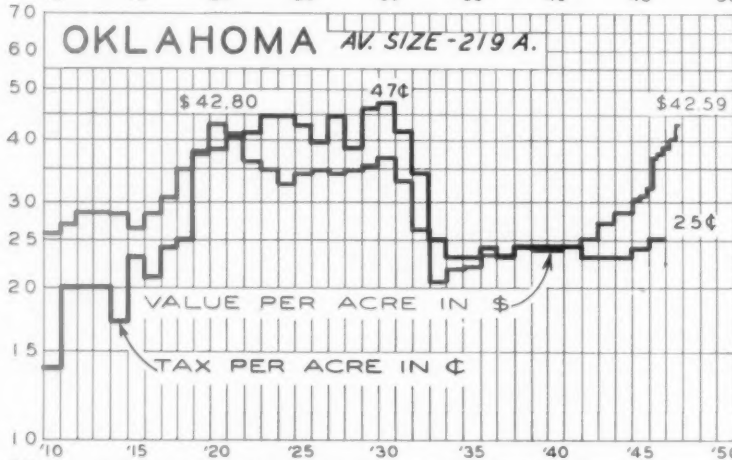
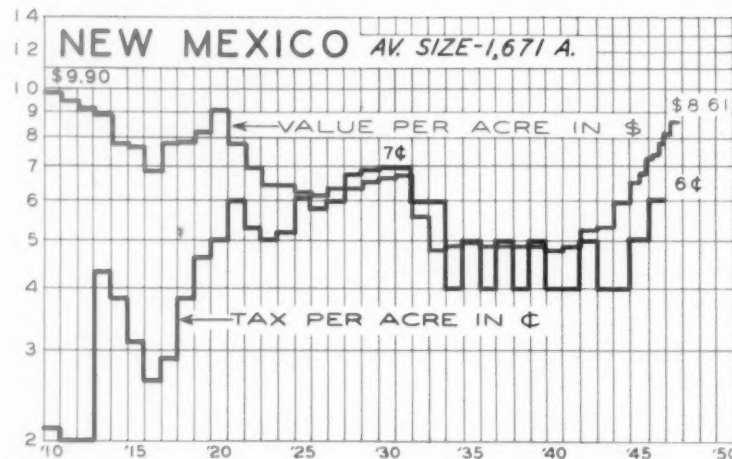
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FARM TAXES

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